in the fact that it need never be valueless; and that each can serve in his own sphere to create and accomplish something for the better. The third conclusion is that the economic, while it has aided, has not permanently dominated the social development, and that although the elevation of the condition of the English workingmen was not accomplished without a struggle, it was not due exclusively or even preponderatingly to their own efforts.

The book contains bibliographical notes and a very comprehensive list of references.

GUSTAVUS A. WEBER.

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The Trust Problem. By JEREMIAH WHIPPLE JENKS, PH.D. New York: McClure, Phillips & Co., 1900. 8vo, pp. xix + 281.

PROFESSOR JENKS'S utterances upon the subject discussed in this volume must be considered authoritative. He has long been known as a thorough and painstaking student of industrial combinations, and during the past year has had unsurpassed opportunities for gathering material in the course of his work as expert agent of the Industrial Commission. This book "is not intended for the student of economic theory," but presents, in a lucid popular way, the main facts concerning the status of "trusts" in the United States, for general reference. A more complete discussion is promised.

The Trust Problem formally consists of eleven chapters and an appendix, but falls logically into two parts—one dealing with general statements and tendencies, the other with the actual working and effects of particular organizations. Of the theoretical portions of the work not much need be said. They contain no explanations of the growth of trusts and no analyses of the phenomena of monopoly price that are not already familiar. Not much more attention is demanded by the sections devoted to concrete investigation. They contain a series of brief monographs on the prices of certain trust-made products, and give valuable information, presented largely by the graphic method, in a clear and succinct fashion. Those of the sections which find a place as illustrations of the theoretical discussions often yield facts and figures not elsewhere available.

It is rather the general tone of the book and the judgments of the author that will arrest the student's attention, and at the same time will rouse the greatest doubt in his mind. Three things in this connection

seem of paramount importance—the author's attitude toward the trusts, his attitude toward their critics, and his suggestion of remedies for acknowledged evils. The casual reader will, perhaps, find it a matter of some difficulty to satisfy his mind on these points. One who examines Professor Jenks's checkered pages with more care will, however, conclude that he appears as a, perhaps unconscious, apologist for the trusts, although there are many expressions which seem to contradict this opinion. The author's indictment of competition is severe; his belief in the trust as an economizer of labor and capital apparently strong; his admiration of the "captain of industry" unbounded. Of the arguments regarding the corrupt influence exerted by many "trusts" upon legislatures and public officers he makes little account. In these respects the trusts, he says, are no worse than other business organizations; and, in any case, the evil could as well be met by supplying a higher grade of legislator. Here seems to be a flaw in the argument. After all, it is not the moral quality of the acts of the trust magnates that is in question, but the influence of those acts. If bribery has been greatly extended by capitalistic combinations, then they are dangerous in so far as they have increased the prevalence of this "custom," no matter whether they are ethically worse than individuals or not.

The proposal made by some to remove the present import duties from all trust-produced commodities is rejected by Professor Jenks. Such action he says would lead to one of two results: either international combinations of greatly increased power would be formed, or the industry in question would go to the wall. In the latter case, there are others who would suffer sooner and more heavily than the trust, inasmuch as few industries are entirely monopolized, there being usually a few independent producers outside the combination. These latter would bear the stress of the competition with foreign-made goods, and would succumb to it much more readily than a compact body of producers or trust. The difficulty with Professor Jenks's argument at this point seems to be that it neglects the fundamental position of those who advocate a change in the tariff system as a means of controlling the combinations. A change in the tariff could do no more than affect the price of the article in question. No one has contended that a change in tariff-rates would necessarily destroy industrial combinations. Evidently at any given moment the price of a given article A is higher than formerly or it is not. If the trust has not raised, but

has lowered prices, the reduction of the tariff on A would be advocated by none. If on the other hand the price of A has materially risen since the new form of organization came into existence, might not a reduction in the tariff equivalent to the rise in the price of the article tend to restore the old price? It is no rebuttal to say that the stress of foreign competition would in such a case fall, not on the trust, but on a small body of independent competitors, for, as Professor Jenks conclusively shows, it is the trust itself that is the price-making agent. Moreover, if the independent competitors have borne the pressure of the trust's competition without ruin they can endure that of the possible foreign rival. Nor is it more cogent to say that a reduction of tariff rates will merely force an international combination. If such a result can so lightly be produced it would probably come in any case. Indeed, Professor Jenks has himself elsewhere laid stress upon the growing difficulty of combination arising from increased extent.

Without attempting a more lengthy discussion of the subject, it may briefly be said that the currently proposed remedies for monopolistic tendencies are for the most part condemned by Professor Jenks. On the other hand, all that he substitutes for popular remedies is the somewhat vague suggestion of more thorough "social control." In order to attain this control he has to offer only the familiar "publicity" and "responsibility for the acts of corporations."

The Trust Problem contains a number of inconsistencies. Thus, for instance, it is laid down at the outset that competitive prices are high prices. Much stress is laid on the possible reductions in price under the trust régime. Yet, in the practical study of actual prices, it turns out that, in almost every instance cited, the trust prices are higher than those which preceded them. The book also contains some actual errors, although these do not seem to be numerous. As an example, the reader may be referred to the chapter on Legislation (pp. 218, 219), where there seems to be much confusion between the common-law doctrines as to restraint of trade and those in regard to monopolies.

The student of industrial history will probably lay down Professor Jenks's book — interesting and instructive as it is — with an intensified feeling that, after all, no "trust problem" really exists. As a phase of the evolution of modern industry the recent growth of the business unit is of great interest. As a chapter in the socialism *vs.* individualism controversy the suffering caused by this growth is of deep moment.

As a study in the failures of republican government the system of discriminating legislation and special favors to corporations will attract attention. When the campaign banners have been folded and the newspaper drudges have ceased to print their deadly stuff on corporations, trusts, and the tariff, the trust problem itself will turn out to be no problem at all, except so far as it constitutes a part of the larger discussion on the limits of state-activity. As such it will be better treated on different and more general lines.

H. PARKER WILLIS.

Railway Control by Commissions. By FRANK HENDRICK. (Questions of the Day Series.) New York: G. P. Putnam's Sons. 12mo, pp. 161.

THE magnitude of the transportation enterprise and its interrelations with modern industrial development are every day being brought into clearer relief. At the same time the question of regulation, in the public interest, is also engaging more attention. The recognition of the quasi-public functions of modern railroads has stressed the doctrines of the common law which proclaimed that common carriers were not exempt from regulation in the common interest. Many phases of the modern regulative policy have not properly appreciated the difficulties of regulation; and so the history of regulative experiments is often a history of aspirations rather than of results.

Mr. Hendrick's work, while it gives a general summary of the regulative experience of European countries, is concerned with European experience only in so far as it throws light upon American experience and practice. The regulative policy of European countries has been so well covered by Hadley and by Sterne that it is difficult for another to follow. What Mr. Hendrick adds is in the nature of detail. His work shows care and discrimination in the selection of material.

There is a lack, however, of scientific tone in the work. It is a polemic in favor of the "advisory" type of commission. From the outset the reader is confronted by the author's persistent declaration that the "advisory" type is the one type that is by nature fitted for success. In enforcing this thesis it would seem that he at times forces the facts of European experience. For example, apparently misled by the word "commission," he traces a parallelism between the Italian